

Message Text

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PAGE 01 ABU DH 01280 071223Z
ACTION NEA-11

INFO OCT-01 EUR-12 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 DOE-15 H-01 INR-10 INT-05
L-03 NSAE-00 NSC-05 OMB-01 PM-05 ICA-11 OES-07
SP-02 SS-15 STR-07 TRSE-00 ACDA-12 /139 W
-----038558 071242Z /46

R 071150Z MAY 78
FM AMEMBASSY ABU DHABI
TO SECSTATE WASHDC 7782
INFO AMEMBASSY DOHA
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY LONDON
AMEMBASSY MANAMA
AMEMBASSY MUSCAT
AMEMBASSY TEHRAN

LIMITED OFFICIAL USE ABU DHABI 1280

E.O. 11652: N/A
TAGS: ENRG, EINV, TC, UR, US
SUBJECT: SHARJAH-CRESCENT DISPUTE - LETTER FROM SHAIKH SULTAN TO CRES
CENT
SHAREHOLDERS

REFS: (A) ABU DHABI 892, (B) ABU DHABI 1281

1. FOLLOWING IS TEXT OF LETTER DATED MAY 4, 1978 SIGNED BY SHAIKH
SULTAN BIN MUHAMMAD AL QASIMI, RULER OF SHARJAH, IN RESPONSE TO
MARCH 22 LETTER FROM CRESCENT PETROLEUM SHAREHOLDERS (REF A).
LETTER WAS OFFICIALLY DELIVERED MAY 4 AND TEXT HAS BEEN TELEXED TO
CRESENT SHAREHOLDERS IN US.

2. BEGIN TEXT:

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TO: BUTTES, GAS & OIL COMPANY
JUNIPER PETROLEUM CORP.
SKELLY INTERNATIONAL OIL CO.
ADVANCE PETROLEUM LTD.
KERR-MCGEE EASTERN CO.
CITCO-MID EAST INCORPORATED
AFTER GREETINGS:

WE REFER TO YOUR LETTER DATED MARCH 22, 1978 AND NOTIFY AS
FOLLOWS:

1. RULES AND REGULATIONS CONCERNING TAXATION, IN ANY COUNTRY,
ARE CLEARLY MATTERS OF THE STATE SOVEREIGNTY WHICH UNDER NO CIRCUM-
STANCES CAN BE SUBJECTED TO ARBITRATION. THIS APPLIES TO THE
ROYALTY WHICH ENACTED IN THE U.A.E.

2. CONCLUSION SET OUT IN OUR LETTER DATED FEBRUARY 25, 1978
WAS REACHED AFTER HAVING CONSIDERED THE REPORTS AND EXPLANATIONS
SUBMITTED ON YOURUOEHALF TO US AND ALSO WITH DUE REGARD TO YOUR
OPERATIONAL CONDITIONS.

THE TREATMENT ENVISAGED IN YOUR CASE IS GENEROUS INDEED
COMPAREDNUWITH PREVAILING FISCAL TERMS APPLICABLE YO THE OIL
COMPANIES OPERATING IN VARIOUS PRODUCING COUNTRIES IN THE AREA
AND ELSEWHERE. YOUR WHOLE APPROACH AS INDICATED IN YOUR LETTER
OF MARCH 22, 1978 IS THEREFORE BOTH SURPRISING AND REGRETTABLE.

ONCE MORE WE URGE YOU HEREBY TO COMPLY WITH THE CONTENTS
OF OUR ABOVE MENTIONED LETTER AS SOON AS POSSIBLE, OTHERWISE
WE SHALL BE LEFT WITH NO ALTERNATIVE BUT TO TAKE THE APPROPRIATE
MEASURES TO SAFEGUARD OUR LEGITIMATE RIGHTS.
WITH BEST REGARDS

SULTAN BIN MOHAMED AL-QASIMI
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RULER OF SHARJAH & DEPENDENCIE
S.
END MEXT.
DICKMAN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, POLICIES, ARBITRATION, FOREIGN INVESTMENTS, INCOME TAXES
Control Number: n/a
Copy: SINGLE
Draft Date: 07 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ABUDH01280
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780194-0585
Format: TEL
From: ABU DHABI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780585/aaaacure.tel
Line Count: 98
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 72f6b4a2-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 ABU DHABI 892, 78 ABU DHABI 1281
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
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Review Exemptions: n/a
Review Media Identifier:
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SAS ID: 2768587
Secure: OPEN
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TAGS: ENRG, EINV, TC, UR, US, CRESCENT PETROLEUM, (AL QASIMI, SHAIKH SULTAN BIN)
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Type: TE
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Review Markings:
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